

FDIC State Profile

Kentucky

Fourth Quarter 2008

ECONOMIC INDICATORS (Change from year ago, unless noted)

Employment Growth Rates	Q4-08	Q3-08	Q4-07	2008	2007
Total Nonfarm (share of trailing four quarter employment in parentheses)	-1.9%	-0.7%	0.9%	-0.7%	1.1%
Manufacturing (13%)	-6.8%	-4.5%	-1.9%	-4.2%	-1.9%
Other (non-manufacturing) Goods-Producing (6%)	-1.6%	1.3%	3.0%	0.4%	1.3%
Private Service-Producing (64%)	-1.1%	0.0%	1.3%	-0.1%	1.6%
Government (17%)	-1.0%	-1.1%	1.2%	-0.2%	1.6%
Unemployment Rate (% of labor force)	7.2%	6.7%	5.4%	6.5%	5.5%
Other Indicators	Q4-08	Q3-08	Q4-07	2008	2007
Single-Family Home Permits	-43.8%	-28.9%	-25.6%	-40.8%	-18.1%
Multifamily Building Permits	18.2%	45.3%	-6.6%	20.7%	19.5%
Home Price Index	1.0%	1.7%	3.4%	2.1%	3.4%
Nonbusiness Bankruptcy Filings per 1000 people (quarterly annualized level)	4.97	5.02	4.08	4.90	3.97

BANKING TRENDS

General Information	Q4-08	Q3-08	Q4-07	2008	2007
Institutions (#)	198	201	206	198	206
Total Assets (in millions)	50,977	48,972	48,169	50,977	48,169
New Institutions (# < 3 years)	3	4	4	3	4
Subchapter S Institutions	58	58	54	58	54

Asset Quality	Q4-08	Q3-08	Q4-07	2008	2007
Past-Due and Nonaccrual Loans / Total Loans (median %)	3.00	2.66	2.49	3.00	2.49
ALLL/Total Loans (median %)	1.22	1.20	1.22	1.22	1.22
ALLL/Noncurrent Loans (median multiple)	1.05	0.97	1.39	1.05	1.39
Net Loan Losses / Total Loans (median %)	0.26	0.15	0.23	0.23	0.17

Capital / Earnings	Q4-08	Q3-08	Q4-07	2008	2007
Tier 1 Leverage (median %)	10.09	10.23	10.09	10.09	10.09
Return on Assets (median %)	0.76	0.90	0.93	0.85	0.99
Pretax Return on Assets (median %)	0.90	1.16	1.20	1.06	1.30
Net Interest Margin (median %)	3.85	3.95	3.91	3.87	3.92
Yield on Earning Assets (median %)	6.17	6.42	7.12	6.45	7.11
Cost of Funding Earning Assets (median %)	2.36	2.48	3.23	2.59	3.20
Provisions to Avg. Assets (median %)	0.30	0.16	0.15	0.20	0.13
Noninterest Income to Avg. Assets (median %)	0.69	0.74	0.74	0.73	0.75
Overhead to Avg. Assets (median %)	3.04	2.96	3.00	3.00	3.01

Liquidity / Sensitivity	Q4-08	Q3-08	Q4-07	2008	2007
Loans to Assets (median %)	69.4	69.5	66.8	69.4	66.8
Noncore Funding to Assets (median %)	27.2	27.4	24.8	27.2	24.8
Long-term Assets to Assets (median %, call filers)	24.7	24.6	21.3	24.7	21.3
Brokered Deposits (number of institutions)	60	59	57	60	57
Brokered Deposits to Assets (median % for those above)	3.9	4.1	3.1	3.9	3.1

Loan Concentrations (median % of Tier 1 Capital)	Q4-08	Q3-08	Q4-07	2008	2007
Commercial and Industrial	49.9	53.1	51.1	49.9	51.1
Commercial Real Estate	213.1	217.3	198.6	213.1	198.6
Construction & Development	36.0	37.8	33.9	36.0	33.9
Multifamily Residential Real Estate	7.7	7.2	5.1	7.7	5.1
Nonresidential Real Estate	142.1	136.0	125.5	142.1	125.5
Residential Real Estate	269.8	263.8	258.3	269.8	258.3
Consumer	42.7	43.5	46.5	42.7	46.5
Agriculture	42.9	43.7	40.7	42.9	40.7

BANKING PROFILE

Largest Deposit Markets (from 2007 Summary of Deposits)	Institutions in Market	Deposits (\$ millions)	Asset Distribution	Institutions
Cincinnati-Middletown, OH-KY-IN	85	56,121	< \$250 million	151 (76.3%)
Louisville, KY-IN	51	21,397	\$250 million to \$1 billion	38 (19.2%)
Lexington-Fayette, KY	38	7,815	\$1 billion to \$10 billion	9 (4.5%)
Evansville, IN-KY	28	5,591	> \$10 billion	0 (0%)
Huntington-Ashland, WV-KY-OH	25	3,902		